28 December 1953

MEMORANDUM FOR: Chairman of the Economic Intelligence Committee

SUBJECT

: NIE-88 - Section on Communist China's Internal Transportation Capabilities

1. As you know, contributions to NIE-88, "Communist China's Power Potential through 1957," are due in the Office of Mational Estimates on 30 December, and the CMR/CIA contribution, at least, will deal with Communist China's internal transportation capabilities. In this connection, I am aware that the IAC some time ago requested the Economic Intelligence Committee to review on the same subject, (IAC-M-dated 26 May 1953). I also understand that there have been on the same subject, (IAC-M-108, differences within the RIC community on certain fundamental aspects of the problem and that these differences have not yet been resolved. Since these same differences will undoubtedly appear in the interagency effort to produce NIE-88, it would be useful for the Office of National Estimates to know the findings of the EIC well in advance of discussions with the Agency representatives. I would, therefore, like to have a statement from the EIC in which the areas of agreement and disagreement on the principal statistics involved are presented in tabular form, with a very brief textuel explanation of the basis for these differences. In order for the OWE staff to have this in time to utilize this information in the preparation of its preliminary draft of MIE-88, the BIC statement, in order to be most useful, should be submitted not later than January 20, 1954.

2. I also feel that the Office of National Estimates should have the benefit of the views of the transportation specialists working within the EIC structure, and, therefore, I would appreciate your arranging a meeting of these specialists with appropriate members of the ONE Board and Staff after the Board and Staff members have had a chance to review the EIC brief.

SHERMAN KENT Assistent Director National Estimates



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Addressee

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